

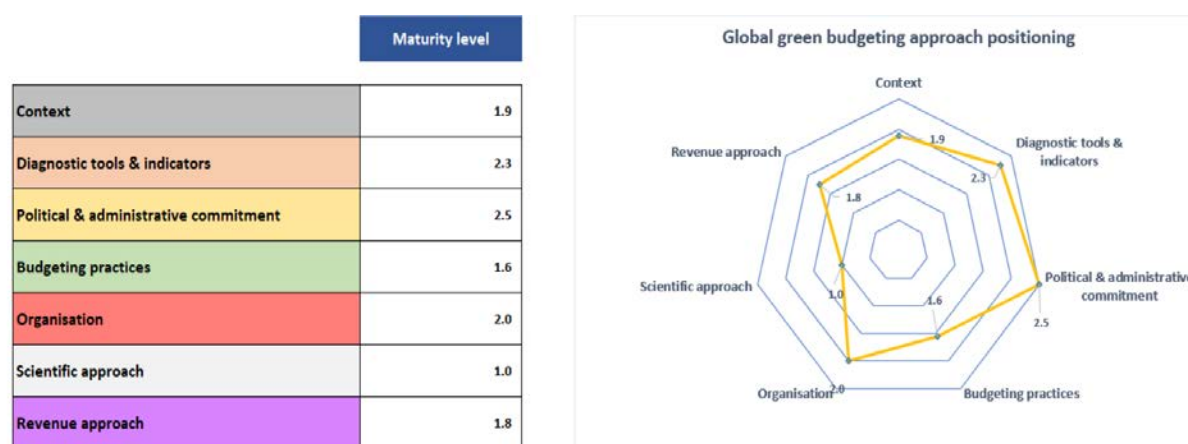
Annex A. Self-assessment tool

This self-assessment tool (SAT) has been developed in the framework of the joint OECD and European Commission (DG REGIO) project Measuring and Enhancing Subnational Government Finance for Environment and Climate Action in OECD and EU Countries. The SAT tool is available as a downloadable Excel file on the Subnational Green Budgeting page (<https://www.oecd.org/regional/snggreenbudgeting.htm>) of the OECD's Subnational Government Climate Finance Hub (<https://www.oecd.org/regional/sngclimatefinancehub.htm>).

This SAT was designed to assist any region or city in identifying its strengths and potential gaps for starting a green budgeting practice or improving an existing one. It was developed based on the findings of the stocktake (Chapter 3) and two case studies (Chapters 5 and 6) and is directly linked to the subnational green budgeting guidelines presented in Chapter 4.

The SAT allows the user to evaluate where they stand across seven green budgeting dimensions. For each dimension, there is a series of sub-criteria against which the user ranks their level of experience ranging from “advanced” to “none”. The answers are given for each sub-criteria translate to a numerical score between 0 and 3, which is then combined to produce an average score for each of the seven dimensions. On the “Synthesis & General Information” tab, the user can then see a visualisation of their average scores for all seven dimensions, allowing them to identify their strengths and gaps with respect to green budgeting in a user-friendly format.

Figure A A.1. Self-assessment tool: Global visualisation of strengths and gaps

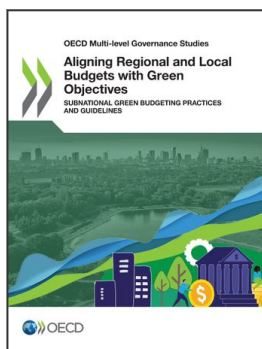


In total, the SAT has 11 tabs: a user guide, a description of the ranking scale and accompanying numerical score, a reference guide listing existing subnational green budgeting practices, a synthesis tab which presents the overall visualisation for the user, and finally 7 tabs corresponding to the seven green budgeting dimensions. The seven green budgeting dimensions are:

1. **Context:** this dimension allows the user to evaluate their respective national green budgeting context in order to understand whether they can benefit from an enabling environment to develop their own green budgeting practice. National government policy on green budgeting and the

existence of other initiatives at a local or regional level can create a favourable context for subnational governments to develop their own practices through experience sharing, exchanges, and pooling of methodologies and tools.

2. **Diagnostic tools and indicators:** this dimension helps the user to analyse the tools and support available to them to carry out an environmental and climate diagnosis for their territory and subsequently to prepare an action plan or strategy that includes measurable green objectives and performance indicators.
3. **Political and administrative commitment:** this dimension allows the user to evaluate the existing level of political and administrative commitment to green budgeting within their respective administration. Such a commitment is necessary to ensure the success and longevity of a green budgeting practice.
4. **Budgeting practices:** this dimension allows the user to evaluate how advanced and rigorous their green budgeting procedures are and provides focus areas for improvement. The analysis looks at what existing green budgeting tools and methodologies are in place, any linkages between the green budgeting practice and other priority budgeting practices the administration has implemented, and finally, the coherency between the budgetary and non-budgetary tools.
5. **Organisation:** an evaluation of this dimension helps the user to understand how different services/departments of their organisation can mobilise themselves independently and collaboratively to advance, evaluate and spread green budgeting practices at their level and beyond.
6. **Revenue approach:** an evaluation of this dimension provides the user with an understanding of their room to manoeuvre in terms of aligning their revenue streams with their green objectives and accessing additional sources of public and private climate finance. Although subnational governments frequently limited revenue autonomy, they still have a responsibility to work within their limits to adjust their revenue structure to align with their climate and environmental targets. They should therefore perform a global analysis of the environmental impact of their revenues and financing choices, in order to be able to carry out such an alignment in an informed manner.
7. **Scientific approach:** this dimension allows the user to evaluate the extent to which climate and environmental policy making is grounded in scientific knowledge throughout the administration. It provides the user with an understanding of the current internal practices on knowledge sharing and exchange among personnel, which is essential to deepen existing practices, associate all stakeholders, and improve dissemination of the practice.



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